## **Severance Tax - Controlled Group of Corporations**

What is a Controlled Group of Corporations?

A controlled group of corporations is basically any parent-subsidiary or brother-sister group of related corporations where 50 percent or more of the beneficial interests in such corporations is owned by the same or related persons taking into account only persons who own at least 5 percent of such beneficial interest. See also 613A of the Internal Revenue Code of 1986.

IRS Web site: www.irs.gov